

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

March 14, 2008

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

PSF No.:08OD-010

Oahu

Issuance of Revocable Permit to SCDC Alahao LLC., for Storage, Parking, Roadway and Office Purposes; Cancellation of Revocable Permit No. S-5639 Situated at Kalihi-Kai, Honolulu, Oahu, Tax Map Key:1) 1-2-021:037.

APPLICANT:

SCDC Alahao, LLC, a domestic limited liability company, c/o Sofos Realty Corporation, 600 Kapiolani Blvd. Honolulu, Hawaii, 96813.

LEGAL REFERENCE:

Sections 171-13 and 55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kaliawa Fishery, situated at Kalihi-Kai, Honolulu, Oahu, identified by TMK:(1)1-2-021:037, as shown on the attached map labeled Exhibit A.

AREA:

.674 acres, more or less.

ZONING:

State Land Use District: Urban  
County of Honolulu: CZO: I-2

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_\_\_ NO X

CURRENT USE STATUS:

Encumbered under Revocable Permit No. S-5639 to VP & FF, JR., Partnership.

CHARACTER OF USE:

Storage, parking, roadway & office purposes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$2,730 per month, based on staff appraisal dated February 29, 2008, attached as Exhibit B.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 as "there will be negligible or no expansion or change of use beyond that previously existing".

DCCA VERIFICATION:

Place of business registration confirmed:	YES	<u>X</u>	NO	<u>      </u>
Registered business name confirmed:	YES	<u>X</u>	NO	<u>      </u>
Applicant in good standing confirmed:	YES	<u>X</u>	NO	<u>      </u>

REMARKS:

At its meeting of February 23, 1979, under agenda item F-1-f, the Board authorized the issuance of a revocable permit to VP & FF, JR., Partnership, covering approximately .674 acres of State land at Kaliawa, Kalihi-Kai, Honolulu, Oahu, for storage, parking, roadway and office purposes.

VP & FF, JR., Partnership were utilizing the permit area on a month-to-month basis since March 1, 1979. By way of letter dated December 6, 2007, the Land Division was informed that VP, FF, JR., Partnership is requesting that Revocable Permit No. S-5639 be cancelled and that a new revocable permit be issued to SCDC Alahao, LLC., which is the current Lessee of the adjoining private property.

The proposed use is allowable under the County ordinances and there will be no changes under the existing use of the permit.

Comments were solicited from the Department of Hawaiian Home Lands, DLNR-Engineering, DLNR-Historic Preservation, the Commission on Water Resource Management, City and County of Honolulu, Department of Planning and Permitting, Department of Facility Maintenance, the Board of Water Supply and the Office of Hawaiian Affairs.

The Commission on Water Resource Management had no comments. No other responses were received from other government agencies. A month-to-month tenancy is more appropriate than a long-term disposition due to the fact that the permit area is considered to be a flood zone area.

Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the past five years due to non-compliance with such terms and conditions.

There are no pertinent issues or concerns and there have been no other request to utilize the subject property from other parties.

RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the cancellation of Revocable Permit No.S-5639 issued to VP, FF, JR., Partnership.
3. Authorize the issuance of a revocable permit to SCDC Alahao, LLC. covering the subject area for storage, parking, roadway and office purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
  - b. Review and approval by the Department of the Attorney General; and

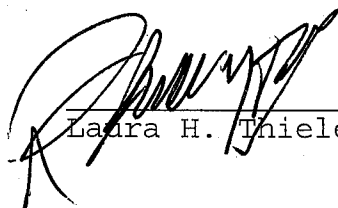

- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

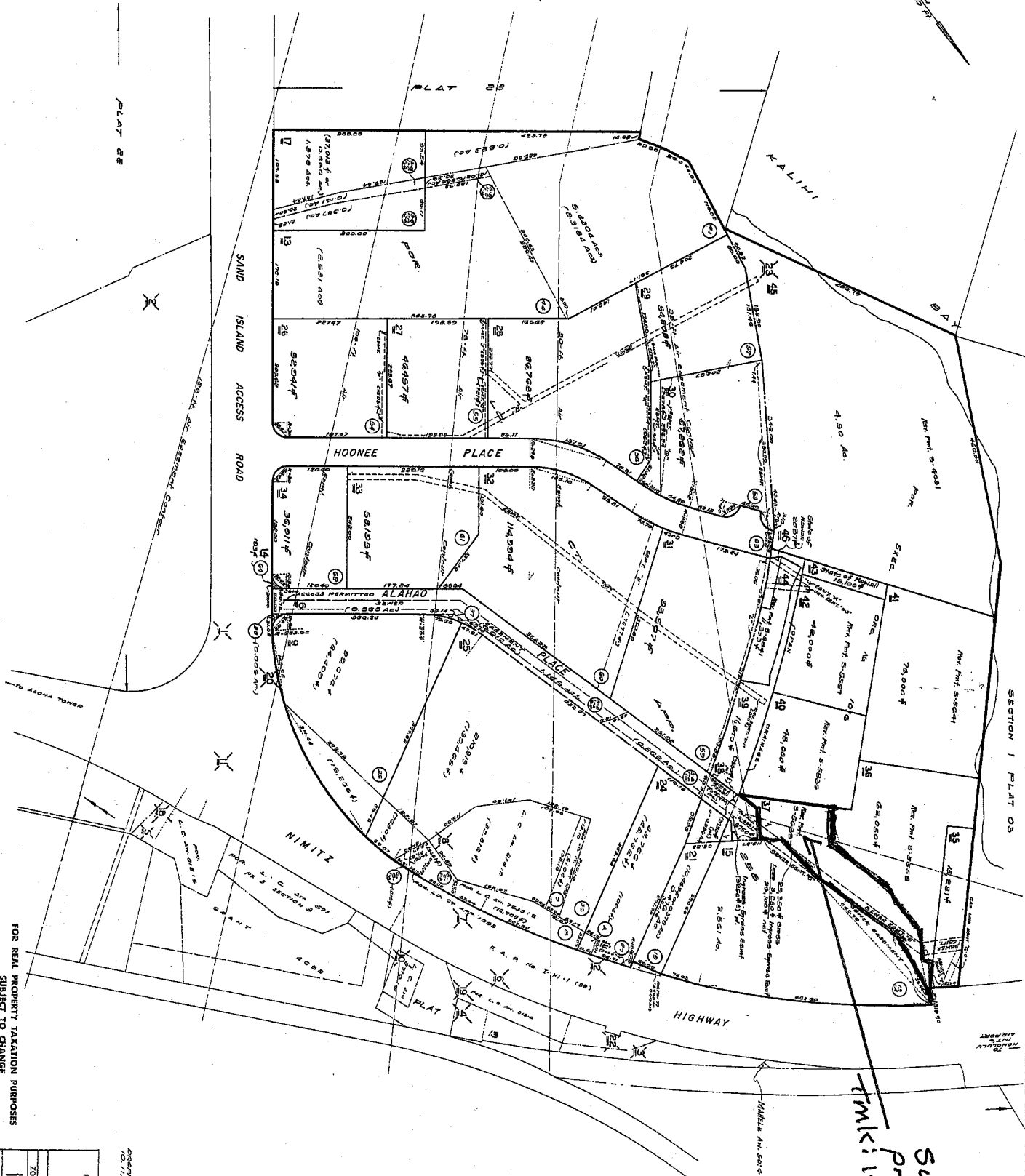
Respectfully Submitted,



Steve Lau  
Land Agent

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
Laura H. Thielen, Chairperson 



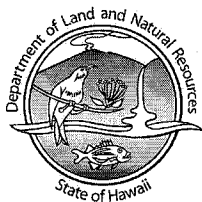
SUBJECT  
PROPERTY  
TMK: 1-2-024:37

**EXHIBIT "A"**

DEPARTMENT OF TAXATION  
PROPERTY ASSESSMENT DIVISION  
TAX MAPS BRANCH  
STATE OF HAWAII  
**TAX MAP**

FIRST TAXATION DIVISION		
ZONE	SEC.	PLAT
1	2	21

SCALE: 1 IN. = 100 FT.



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

February 29, 2008

MEMORANDUM

TO: Laura H. Thielen, Chairperson

THROUGH: Morris M. Atta, Acting Administrator

FROM: Cyrus C. Chen, Real Estate Appraisal Manager *Cyrus Chen*

SUBJECT: In-House Valuation Recommendation – Revocable Permit for Storage, Parking, Roadway and Office Purposes

PSF No.: 08OD-010  
Applicant: SCDC Alahao, LLC  
Location: Kalihi-Kai, Honolulu, Oahu  
Land Area: 0.674 ac. (29,350 sq. ft.)  
Tax Map Key: (1) 1-2-21: 37  
Char. of Use: Storage, parking, roadway & office

We have been requested to provide a monthly rent amount for the issuance of a revocable permit for landscaping and maintenance purposes on the above-referenced property. This rent amount will be included in staff's submittal to the Board for approval of this permit and will not be effective unless such approval is received.

The subject is currently encumbered by RP S-5639 with a monthly rent of \$1,704. The permit is to be cancelled and a new one issued to the new applicant.

Based on recent permits for similar uses in the subject area, we calculate the monthly rent as follows:

<u>Doc. No.</u>	<u>Rent</u>	<u>Area (sf)</u>	<u>\$/sq. ft.</u>
RP No. S-7270	\$3,147	76,012	\$0.041
RP No. S-7412	\$1,005	9,975	\$0.101
RP No. S-7422	\$530	530	<u>\$0.138</u>
Average			\$0.093
Land Area			x 29,350 sq. ft.
= Monthly Rent			\$2,729.55

**EXHIBIT "B"**

Rounded to

\$2,730

Therefore, as of February 29, 2008, the monthly market rent for the revocable permit to SCDC Alahao, LLC is recommended to be \$2,730 per month.

Special Assumptions and Limiting Conditions

- 1) This document does not take the place of an appraisal and does not constitute an appraisal, which adheres to the Uniform Standards of Professional Appraisal Practice.
- 2) Neither the subject property nor the comparables were inspected by the staff appraiser.

cc: District Branch Files  
Central Files